

Huang Tao  
 Form 4  
 December 27, 2006

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 Huang Tao

2. Issuer Name and Ticker or Trading Symbol  
 Morningstar, Inc. [MORN]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
 C/O MORNINGSTAR, INC., 225 WEST WACKER DRIVE

3. Date of Earliest Transaction (Month/Day/Year)  
 12/26/2006

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)

Chief Operating Officer

(Street)  
 CHICAGO, IL 60606

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount or (D) Price		
Common Stock	12/26/2006		M		1,143 A \$ 2	42,023	D
Common Stock	12/26/2006		M		855 A \$ 2.77	42,878	D
Common Stock	12/26/2006		M		1,710 A \$ 2.77	44,588	D
Common Stock	12/26/2006		M		1,521 A \$ 2.77	46,109	D
Common Stock	12/26/2006		M		3,042 A \$ 2.77	49,151	D

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Common Stock	12/26/2006	M	64,500	A	\$ 2.77	113,651	D
Common Stock	12/26/2006	M	2,523	A	\$ 10.98	116,174	D
Common Stock	12/26/2006	M	5,106	A	\$ 10.98	121,280	D
Common Stock	12/26/2006	M	2,082	A	\$ 10.98	123,362	D
Common Stock	12/26/2006	M	4,164	A	\$ 10.98	127,526	D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Employee Stock Option (Right to Buy)	\$ 2	12/26/2006		M	1,143	<u>(1)</u> 06/30/2007	Common Stock	1,143	
Employee Stock Option (Right to Buy)	\$ 2.77	12/26/2006		M	855	<u>(2)</u> 06/30/2008	Common Stock	855	
Employee Stock Option (Right to Buy)	\$ 2.77	12/26/2006		M	1,710	<u>(2)</u> 06/30/2008	Common Stock	1,710	
	\$ 2.77	12/26/2006		M	1,521	<u>(3)</u> 12/01/2008		1,521	

Employee Stock Option (Right to Buy)								Common Stock	
Employee Stock Option (Right to Buy)	\$ 2.77	12/26/2006	M	3,042	<u>(3)</u>	12/01/2008	Common Stock	3,042	
Employee Stock Option (Right to Buy)	\$ 2.77	12/26/2006	M	64,500	<u>(4)</u>	01/01/2009	Common Stock	64,500	
Employee Stock Option (Right to Buy)	\$ 10.98	12/26/2006	M	2,523	<u>(5)</u>	06/30/2009	Common Stock	2,523	
Employee Stock Option (Right to Buy)	\$ 10.98	12/26/2006	M	5,106	<u>(5)</u>	06/30/2009	Common Stock	5,106	
Employee Stock Option (Right to Buy)	\$ 10.98	12/26/2006	M	2,082	<u>(6)</u>	12/01/2009	Common Stock	2,082	
Employee Stock Option (Right to Buy)	\$ 10.98	12/26/2006	M	4,164	<u>(6)</u>	12/01/2009	Common Stock	4,164	

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Huang Tao C/O MORNINGSTAR, INC. 225 WEST WACKER DRIVE CHICAGO, IL 60606			Chief Operating Officer	

## Signatures

/s/ Rachel Felsenthal, by power of  
attorney

12/27/2006

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
  - \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The options became exercisable in five equal installments on June 30, 1998, 1999, 2000, 2001 and 2002.
  - (2) The options became exercisable in five equal installments on June 30, 1999, 2000, 2001, 2002 and 2003.
  - (3) The options became exercisable in five equal installments on December 1, 1999, 2000, 2001, 2002 and 2003.
  - (4) The options became exercisable in five equal installments on January 1, 2000, 2001, 2002, 2003 and 2004.
  - (5) The options became exercisable in five equal installments on June 30, 2000, 2001, 2002, 2003 and 2004.
  - (6) The options became exercisable in five equal installments on December 1, 2000, 2001, 2002, 2003 and 2004.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.